

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

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UNITED STATES OF AMERICA,

Plaintiff,

vs.

**WEI SENG PHUA,
DARREN WAI KIT PHUA,
SENG CHEN YONG,
WAI KIN YONG,
HUI TANG,
YAN ZHANG,
YUNG KEUNG FAN,
HERMAN CHUN SANG YEUNG,**

Defendants

CRIMINAL COMPLAINT

Magistrate No. 2:14-mj-466-CWH

COMPLAINT for a violation of:
18 U.S.C. § 1084 - Transmission of Wagering
Information; 18 U.S.C. § 1955 – Operating
An Illegal Gambling Business; and 18 U.S.C.
§ 2 – Aiding and Abetting

BEFORE the United States Magistrate Judge, Las Vegas, Nevada, the undersigned
complainant, being duly sworn, deposes and states:

COUNT ONE

Transmission of Wagering Information

Beginning on a date unknown, but not later than on or about June 6, 2014, and
continuing through July 9, 2014, in the states and federal district of Nevada, and elsewhere,

**WEI SENG PHUA, DARREN WAI KIT PHUA,
HERMAN CHUN SANG YEUNG, SENG CHEN YONG,
WAI KIN YONG, HUI TANG,
YAN ZHANG, and YUNG KEUNG FAN,**

defendants herein, aiding and abetting each other and others known and unknown, being
engaged in the business of betting and wagering, did knowingly use a wire communication

1 facility for the transmission, in interstate and foreign commerce, of: bets and wagers;
2 information assisting in the placing of bets and wagers; wire communications which entitled the
3 recipient to receive money and credit as a result of a bet and wager; and for information
4 assisting in the placing of bets and wagers, on the World Cup Soccer Tournament, a sporting
5 event and contest, all in violation of Title 18, United States Code, Section 1084(a) and Title 18,
6 United States Code, Section 2.

7 COUNT TWO

8 Operating an Illegal Gambling Business

9 Beginning on a date unknown, but not later than on or about June 6, 2014, and
10 continuing through July 9, 2014, in the states and federal district of Nevada, and elsewhere,

11 WEI SENG PHUA, DARREN WAI KIT PHUA,
HERMAN CHUN SANG YEUNG, SENG CHEN YONG,
12 WAI KIN YONG, HUI TANG,
YAN ZHANG, and YUNG KEUNG FAN,

13 defendants herein, aiding and abetting each other and others known and unknown, did conduct,
14 finance, manage, supervise, direct and own all or part of an illegal gambling business, to wit: a
15 gambling business involving sports betting, which gambling business was in violation of the
16 laws of the State of Nevada, that is, NRS 463.010, NRS 463.160, NRS 465.092, and NRS
17 465.093, and which involved five or more persons who conducted, financed, managed,
18 supervised, directed and owed all or part of said illegal gambling business, and which remained
19 in continuous operation for a period in excess of thirty days, and had a gross revenue of two
20 thousand dollars (\$2,000.00) in any single day, all in violation of Title 18, United States Code,
21 Section 1955 and Title 18, United States Code, Section 2.

PROBABLE CAUSE AFFIDAVIT

1
2 1. I, Minh Pham, the undersigned complainant, being duly sworn before a
3 Magistrate Judge of the United States District Court for the District of Nevada, state the
4 following is true and correct to the best of my knowledge and belief as and for probable cause:

SUMMARY OF MATERIAL FACTS

5
6 2. I am a Special Agent with the Federal Bureau of Investigation ("FBI"), and I
7 have been employed in this capacity for approximately fifteen (15) years. I am assigned to the
8 organized crime squad. I have been involved with several investigations involving illegal
9 gambling operations and am familiar with their operation. I have previously investigated
10 various crimes, including but not limited to, racketeering, organized crime, bank robbery, illegal
11 drug trafficking, money laundering, and other offenses. I have conducted investigations of
12 unlawful organized crime activity in violation of state and federal laws, and have reviewed
13 records to obtain evidence in support of those violations.

14 3. I am one of several agents participating in this investigation. The summary of
15 facts set forth herein is based on my own investigation, as well as information provided to me
16 by other agents of the FBI and Nevada Gaming Control Board (NVGCB). This summary is
17 provided for purposes of demonstrating that there is probable cause to believe that the
18 defendants have committed the crimes described above and does not purport to set forth all of
19 the details known to me concerning this investigation.

20 4. On or about June 18, 2013, WEI SENG PHUA, who is known by law
21 enforcement to be a high ranking member of the 14K Triad, was arrested in Macau, along with
22 more than twenty other individuals, for operating an illegal sport book gambling business. The
23 14K Triad is known by law enforcement to be a criminal organization engaged in an ongoing
24 illegal criminal enterprise. Prior to their arrests, PHUA and his associates transacted hundreds

1 of millions of dollars in illegal bets on the World Cup Soccer Tournament. Most of their bets
2 were made through use of the wires, that is online or over the phone. PHUA posted bail in
3 Macau and was released. The conditions of his release remain unknown. However, on June 23,
4 2014, PHUA arrived at the McCarran International Airport in Las Vegas, Nevada, on a privately
5 owned Gulfstream G-550 business jet with tail number N888XS. PHUA and his associates
6 continued their illegal gambling business at the Caesars Palace Hotel and Casino, in Las Vegas,
7 Nevada, without the consent of the casino.

8 5. An employee of Caesars Entertainment, working at Caesars Palace Hotel and
9 Casino, reserved for occupancy approximately (3) three Villas, located in Las Vegas, Nevada, at
10 the behest of PHUA or one of his associates. On June 6, 2014, PHUA's associate SENG CHEN
11 YONG, checked in and was registered as occupying Villa 8881. On June 7, 2014, PHUA's
12 associate HUI TANG checked in and was registered as occupying Villa 8888. On June 11,
13 2014, PHUA checked in and was registered as occupying Villa 8882. After occupying Villa
14 8881, 8882, and 8888, PHUA and his associates requested that Caesars Palace Hotel and Casino
15 provide them with an unusually large amount of electronics equipment and technical support,
16 which they requested be installed in the villas to support eight (8) Digital Subscriber Line (DSL)
17 lines, and WiFi access.

18 6. In response to PHUA's and his associates' requests, on June 22, 2014, several
19 electrical engineer employees of Caesars Entertainment, including J.A. and J.S. who were
20 working at Caesars Palace Hotel and Casino in Las Vegas, Nevada, entered Villa 8888, to assist
21 with setting up the necessary equipment. Electrical Engineer J.A. later told the casino's security
22 personnel that the equipment in Villa 8888, appeared to be a set-up for an illegal gambling
23 operation. J.A. stated that he/she saw several computer work stations with extra monitors
24 attached. J.A. saw one of the computer screens, which was displaying what he/she believed to

1 be words in the Chinese language and also included several columns which appeared to be
2 numbers. J.A. stated it looked like betting odds displayed on the computer screen, similar to
3 what J.A. has seen in sports betting in the casinos.

4 7. Electrical Engineer J.S. also entered Villa 8888, on June 22, 2014, along with
5 J.A., to assist with setting up the necessary equipment. J.S. stated that he/she observed
6 computer screens which look just like the ones in the casino's sports book. He/she said that
7 there were five (5) stations set up in the room with three monitors attached to each station.
8 He/she noted that each station's computer tower was hooked up to a Century Link DSL line
9 with voice over internet protocol phones. Near the computer stations, he/she also observed
10 three large screen televisions with service from Cox, Dish and Direct TV, each of which he/she
11 observed were tuned to the World Cup. He/she stated that one of the chief complaints of the
12 Villa's occupants was that there was a time delay between the video signals of each service
13 (Cox, Dish and Direct TV). J.S. stated he/she believes that illegal sports book betting is being
14 conducted in Villa 8888.

15 8. During the course of this investigation, security personnel employed at Caesars
16 Hotel and Casino in Las Vegas, Nevada, provided Nevada Gaming Board Control (NVGCB)
17 with photographs of the equipment set up in Villa 8888. Based on his training and experience,
18 NVGCB SA Ricardo Lopez believes, upon review of these photographs, that the set-up is
19 similar to a "wire room" where illegal wagers are made and monitored. J.A. and J.S. were
20 independently shown one of the photographs, and each independently confirmed that the
21 photograph accurately depicted what they had observed in Villa 8888. Accordingly, based on
22 my training and experience, I believe PHUA, YONG, TANG, and others acting under their
23 direction and control, were monitoring the World Cup and betting odds associated with World
24 Cup soccer games in furtherance of their illegal gambling business.

1 9. On July 3, 2014, M.L.W., an Information Technology (IT) technician who is a
2 subcontractor hired to provide technical support services to Caesars Hotel and Casino, and who
3 was providing technical support assistance to Villas 8881, 8882, and 8888, was interviewed by
4 your Affiant, SA Lopez, and FBI SA Justin Nwadiashi. He/she stated that he/she had been
5 providing technical support for four or five years and had never previously received any
6 requests for such a large amount of equipment and technical support as that which had been
7 requested by PHUA and his associates. He/she agreed to assist in the ongoing investigation.

8 10. On July 4, 2014, one of PHUA's associates requested Caesars Hotel and Casino
9 to deliver a laptop computer to Villa 8882. M.L.W. agreed to accompany SA Lopez, who was
10 posing as a support technician employed by M.L.W., to Villa 8882. When they arrived, an
11 Asian male butler, who is employed by Caesars Hotel and Casino and assigned to assist the
12 occupants in Villa 8882, restricted their access to only the butler's pantry area. The butler
13 blocked their path to other parts of the villa, and the butler was adamant that they were not
14 allowed into other parts of the villa. The butler stated that the guests were in the media room,
15 but they did not want anyone to see their "business." The butler's aggressive actions were so
16 intimidating that M.L.W. later stated that he was fearful for his safety. While in the butler's
17 pantry in Villa 8882, M.L.W. and SA Lopez set up a brand new Windows 8 laptop for use by
18 Villa 8882's occupants, pursuant to the occupants' request. The butler instructed M.L.W. and
19 SA Lopez to leave the newly operational laptop in the pantry, and then escorted them off the
20 premises.

21 11. Several hours later on that same date, M.L.W. received a request to provide
22 technical support assistance to Villa 8881. M.L.W. entered Villa 8881, and observed a monitor
23 depicting what he/she believes were odds for illegal sports gambling. M.L.W. used his/her
24 cellular phone and recorded a short video taken from inside of Villa 8881. Upon review of the

1 video, I observed a person matching the description of SENG CHEN YONG sitting at a
2 computer in Villa 8881.

3 12. On July 5, 2014, PHUA's associates made an urgent request to M.L.W. for
4 technical assistance with the DSL in Villa 8882, shortly before the Argentina vs. Belgium
5 World Cup game commenced. M.L.W. was too afraid to accompany SA Lopez, so he/she gave
6 SA Lopez instructions on how to resolve the problems with the DSL. SA Lopez, accompanied
7 by FBI SA Mike Kung who was posing as a technical support assistant, entered Villa 8882.
8 SAs Lopez and Kung observed PHUA in Villa 8882, with YONG and three of their associates.
9 SA Kung saw PHUA sitting at a laptop computer which was displaying both the website
10 "SBOBET" and an active instant messaging window. SAs Kung and Lopez observed PHUA
11 clicking on numbers, which SA Lopez believes, based on his training and experience, were
12 sports wagering odds, within the SBOBET website. SA Kung observed an incoming message
13 to PHUA stating "good luck on the hedge bet" or similar wordings. SA Kung later accessed
14 SBOBET and confirmed that it was an illegal Asian online sports wagering website. During
15 their visit into Villa 8882, SA Lopez observed one of PHUA's associates using another laptop
16 computer which was depicting the login screen for an illegal sport wagering site on the screen,
17 but the associate switched to a Google search page when he noticed SA Lopez was approaching
18 his computer.

19 13. On July 9, 2014, United States Magistrate Nancy J. Koppe, District of Nevada,
20 authorized the search warrants of Villa 8881, 8882, and 8888 located 3570 S LAS VEGAS
21 BLVD, LAS VEGAS, NV 89109. Agents of the FBI and NVGCB executed the warrants on the
22 same day.

23 ...

24 ...

SEARCH WARRANT AT VILLA 8881

14. On July 9, 2014, SENG CHEN YONG was present in Villa 8881 when agents executed the search warrant. Ledgers containing gambling records were seized. NVGCB Agent Creighton Felt reviewed the ledgers. Based on his training and experience, Agent Felt advised that he believes the ledgers contain names of YONG's associates/agents with records for win/loss and the percentage of what the associates/agents were paid. Similar ledgers were seized in a purse in Villa 8882 along with \$33,441 in US Currency and \$495,975 in casino chips. WEI SENG PHUA and DARREN PHUA stated that they believe the purse belonged to YONG.

15. SENG CHEN YONG was interviewed. YONG was advised that he was not under arrest, and the interview was voluntary. YONG agreed to be interviewed. YONG stated that he made bets online through SBOBET. YONG currently had a \$5 million Hong Kong currency in his SBOBET account.

16. An analysis of a laptop seized in Villa 8881 revealed many communication messages between "richieyong888" and "eggdreamer" who often referred to "richieyong888" as, "Boss." I believe "richieyong888" is a username for SENG CHEN YONG who is also known as Richard YONG, and "eggdreamer" is one of SENG CHEN YONG's associates. On June 18, 2014, "eggdreamer" stated "3 bets frm TB." I believe "eggdreamer" was referring to three bets from an individual known to them as TB. "Eggdreamer" also went on and stated "Australia +1.5 @ 2.21 5.5 mil, +1.75 @ 1.93 19.5 mil, total 25 mil done Chile +1 @ 2.03 27 mil, +1.25 @ 1.75 15.4 mi, +0.75 @ 2.33 3.6 mil, total 46 mil done Chile 1st half +0.5 @ 1.85 17 mil, +0.25 @ 2.30 8 mil, total 25 mil done." Based on my training and experience, I believe SENG CHEN YONG and his associate were referring to wagering odds for Australia and Chile

1 during the World Cup Soccer Tournament and the total bet was \$25 million in unspecified
2 currency.

3 SEARCH WARRANT AT VILLA 8882

4 17. WEI SENG PHUA, DARREN PHUA, and WAI KIN YONG were watching the
5 Netherlands vs. Argentina World Cup soccer game with other individuals when the search
6 warrant was executed at Villa 8882. WEI SENG PHUA, DARREN PHUA, and WAI KIN
7 YONG were sitting at active laptop computers with a "SBOBET" website displaying live odds
8 for the soccer game and instant messaging windows. The odds were seen changing on the
9 monitors. DARREN PHUA also had an "IBC" illegal sports bet website active on his laptop.

10 18. WAI KIN YONG's laptop showed that he logged into "SBOBET" website with
11 a username "hk166888" and "HKS 12,852,706.32" (approximately \$1.6 million USD) was
12 available in the account balance. Further analysis of WAI KIN YONG's laptop revealed that he
13 used "WaiKin" as a login name for this laptop.

14 19. WEI SENG PHUA was interviewed. PHUA was advised that he was not under
15 arrest and the interview was voluntary. PHUA was also advised that he could refuse to answer
16 the questions and stop the interview at any time. PHUA asked if he could refuse to answer
17 certain questions. Agents confirmed that he could in fact choose which questions he wished to
18 answer. PHUA agreed to be interviewed, and he provided the following information:

19 a) PHUA purchased his jet for \$48 million through a broker in China.
20 PHUA traveled from Florida to Macau on June 18, 2014. Approximately one hour after PHUA
21 arrived at a room inside a casino/hotel in Macau, he and his "friends" were arrested by the
22 Macau Police Department for illegal sport bets on the World Cup. PHUA stated that 22 people
23 were arrested. PHUA posted bail and was released two days later. His case is pending in
24 Macau. PHUA traveled on his private jet from Macau to Las Vegas on June 23, 2014. PHUA

1 repeatedly stated that he had only stayed at the Caesars Hotel and Casino since he arrived on
2 June 23, 2014. After agents informed PHUA that they knew he went to London on July 1, 2014.
3 PHUA apologized and stated that he forgot. He admitted that he traveled to London on July 1
4 and returned on July 3, 2014.

5 b) PHUA stated that he was watching the World Cup and monitoring the
6 betting odds when agents entered. He initially refused to answer questions about sport bets and
7 whether he and his associates were connected to the websites with wagering odds on the
8 computer when agents entered. PHUA later stated that he used instant messaging to
9 communicate with "Foo" last name unknown in the Philippines to place bets on the World Cup.
10 PHUA waged between \$200 million and \$300 million in Hong Kong money since he arrived at
11 Villa 8882 on June 23, 2014. PHUA stated that he invested \$200 million in the "IBC" sports
12 betting website. He stated that "IBC" is a well known website for sports bets in Asia. PHUA's
13 friend manages the "IBC" website. PHUA refused to answer questions about why his son,
14 DARREN PHUA, was using the "IBC" website.

15 20. An analysis of WEI SENG PHUA's laptop revealed hundreds of messages
16 between him and his associates communicating about their illegal sports wagering business. On
17 June 23, 2014, "eggdreamer" had a communication message with "paulpws" stating "TB bet
18 Croatia DNB @ 2.02 19 mil." Data retrieved from PHUA's laptop revealed that "Paul Phua"
19 also known as WEI SENG PHUA was the user for "paulpws." Based on my training and
20 experience, I believe PHUA and his associate were referring to betting odds for Croatia during
21 the World Cup by an individual known to them as TB, and the amount of the bet was 19 million
22 in unknown currency. On July 8, 2014, username "byronchia" had a communication message
23 with "paulpws" stating "Hi Boss, This world cup until 5th July our 4 Main products Virtual
24 win/loss as below, Handicap 1,102,638,597 Lose-610,868 -0.06% OU 1,001,581,144 5,458,620

1 0.55% HT- OU 150,033,961 459,419, 0.31% Grand Total including all other products
2 2,748,422,434 11,107,594, 0.40% This is only LIVE and is VIRTUAL.” Based on my
3 training and experience, I believe PHUA’s associate was reporting the illegal online sport
4 gambling business to him, and “OU” is usually used as an abbreviation for the over/under bet.
5 “HT” is for half-time. In other messages, PHUA and his associates were referring to “HKD”
6 for Hong Kong Dollar. As of July 12, 2014, \$1 Hong Kong equal \$.13 USD. \$2,748,422,434
7 in Hong Kong money equal approximately \$357 million USD.

8 21. DARREN PHUA (DARREN) was interviewed. He was advised that he was not
9 under arrest, the interview was voluntary, he did not have to answer questions, and he could
10 stop the interview at any time. DARREN stated that he understood, and he agreed to be
11 interviewed. He said he was monitoring the live odds on his laptop because he made bets on the
12 World Cup. DARREN used instant messaging to contact his friend in Asia to make bets.
13 DARREN was asked about the “IBC” website on his laptop. He initially stated that his friend in
14 Asia gave him the website. However, he later admitted that he knew his father, WEI SENG
15 PHUA, owns the “IBC” website for sports bets. DARREN was asked why he was betting
16 against his father’s website. He stated that his father does not know he was betting on “IBC”
17 website. Analysis of DARREN’s laptop revealed messages indicating that he was taking bets
18 for an individual using telephone number (702) 469-6293 on several occasions. On July 09,
19 2014, there was a message from (702) 469-6293 asking DARREN “can I bet 13k on Argentina
20 w you as well.” DARREN responded “ok let me make a call.” On the same day, an individual
21 using telephone number (702) 469-6293 stated “bettin 25k on over.” DARREN responded,
22 “Goodluck to us!” “IBC” is not a licensed sport betting website in the state of Nevada. Based
23 on my training and experience, I believe DARREN was monitoring and assisting his father,
24 WEI SENG PHUA, with the activities on “IBC” website, an illegal sport betting website.

SEARCH WARRANT AT VILLA 8888

22. On July 9, 2014, TANG HUI was sitting in the middle of tables placed in a U shape around him with computers and monitors set up as described by Electrical Engineer J.S. in paragraph 7. Two laptop and three desktop computers with seven monitors were on the table. There were three large screen televisions in the room. The televisions all had displayed soccer game. Several of the monitors displayed "SBOBET" website or tracking systems of sports betting. TANG HUI was sitting between computers with active "SBOBET" and URL W106.hg088.com online sport bet websites.

23. YAN ZHANG was sitting at a laptop computer with an active "SBOBET" and a software that actively tracks multiple clients' accounts with the team they betted, the amount of the bet, win/loss, and the pay-out. When agents instructed her to raise her hands when they entered Villa 8888, she raised one hand while continuing to type with her other hand. An analysis of ZHANG's computer revealed that a ledger showing a comment that YONG settled HK \$1 million in cash and chips to "802" on June 23, 2014. I believe "802" is a code for one of SENG CHEN YONG's associates, and he was using casino chips to settle payments for his illegal gambling business.

24. Agents examined ~~the computers~~ seized near ZHANG and HUI. One of the computers showed a communication record between "scottwul221", otherwise known as Scott W and "live:endless516" also known as "Herman Y." I believe "Herman Y." is HERMAN CHUN SANG YEUNG. During this conversation, YEUNG stated that five computers need to be set up. "Scott W" transferred three files: Teamviewer.exe, FortiClientSetup_5.09.0347_x64.exe, and feige2014_for_Windows.exe. FBI certified Computer Response Team examiners informed me that these files are used to remotely control

1 other computers away from the user's computer. For example, using these applications, a user
2 located in Las Vegas, Nevada, United States of America, can remotely control a computer that is
3 located in the Philippines.

4 25. I know that SBOBET and the sports book company with the URL
5 W106.hg088.com are not based in the United States. I know that all online sports book
6 companies within the state of Nevada, must be registered with the Nevada Gaming Control
7 Board (NVGCB). NVGCB agents advised me that SBOBET and a company with URL related
8 W106.hg088.com are not registered with NVGCB. Based upon my consultation with the
9 NVGCB and FBI certified computer examiners, I believe HUI, ZHANG and others named in this
10 complaint were remotely controlling computers based overseas. By controlling these remote
11 computers, HUI, ZHANG and others named in this complaint were able to operate and manage
12 their illegal gambling business from Las Vegas, Nevada.

13 CASINO RECORDS

14 26. PHUA reserved a gambling room, "Salon 7" at the Caesars Casino in Las Vegas,
15 Nevada, for his and his associates' exclusive use. On June 4, 2014, SENG CHEN YONG,
16 PHUA's associate who was occupying Villa 8881, wire transferred approximately \$4 million in
17 US dollars from an originating account at the Bank of China into Yong's Caesars' account
18 located in the United States. On June 16, 2014, YONG or one of his associates wired an
19 additional \$985,561 from the Seminole Casino in Fort Lauderdale, Florida, into his Caesars'
20 account. YONG also recently deposited four certified checks totaling \$4 million from an
21 originating account at the Bank of China, located in Macau, with the casino to secure a casino
22 marker.

23 27. Casino records revealed recent financial transactions between PHUA's associates
24 from May 9, 2014 to June 27, 2014 as follows:

i. Boonchai Kasamvillas, PHUA's roommate and associate who was also occupying Villa 8882, transferred \$3 million to HERMAN CHUN SANG YEUNG.

ii. HUI TANG, PHUA's associate who was occupying Villa 8888, transferred \$3 million to YUNG KEUNG FAN.

iii. SENG CHEN YONG, PHUA's associate who was occupying in Villa 8881, transferred: a) \$3 million to HUI TANG; and b) \$3 million to YUNG KEUNG FAN.

Based on my training and experience, I believe WEI SENG PHUA, DARREN WAI KIT PHUA, HERMAN CHUN SANG YEUNG, SENG CHEN YONG, WAI KIN YONG, HUI TANG, YAN ZHANG, and YUNG KEUNG FAN were transferring and laundering illegal proceeds from their illegal gambling business.

CONCLUSION

28. Based upon the foregoing facts, I respectfully submit that there is probable cause to believe that WEI SENG PHUA, DARREN WAI KIT PHUA, HERMAN CHUN SANG YEUNG, SENG CHEN YONG, WAI KIN YONG, HUI TANG, YAN ZHANG, and YUNG KEUNG FAN, aiding and abetting each other and others unknown, did knowingly violate 18 U.S.C. § 1084 - Transmission of Wagering Information; 18 U.S.C. § 1955, Operating an Illegal Gambling Business; and 18 U.S.C. § 2 - Aiding and Abetting.



Minh Pham, Special Agent
Federal Bureau of Investigation

Subscribed and sworn to before me this 14th day of July, 2014 at Las Vegas, Nevada.



UNITED STATES MAGISTRATE JUDGE